

March 22, 2004

Mr. George Mitchell
Chairman of the Board of Directors
The Walt Disney Company
500 South Buena Vista Street
Burbank, California 91521

VIA FAX (818) 560-1930

Dear Mr. Mitchell:

We are writing to you as fiduciaries and managers of the largest pension funds in the United States and long-term shareowners of The Walt Disney Company.

The purpose of our letter is to request an immediate meeting between all members of The Walt Disney Company's Board of Directors and representative leaders of our pension systems to discuss the performance and governance concerns surrounding the Company. We believe that a meeting with the Disney Board of Directors will be more likely to result in a clear communication of our concerns.

We remain deeply concerned that our investments and the future of this company are in jeopardy. The company has lost more than 20 percent in stock value over the last five years -- nearly five times more than the losses incurred by the S&P 500 index for the comparable period. In our view, such a meeting would send a necessary signal to the market place that the Disney Board is willing to engage in a constructive dialogue regarding our mutual interests as fiduciaries and shareowner representatives.

It is important that we act without further delay, so we would appreciate the immediate review of board calendars to allow us to schedule this meeting. We will make our calendars available to accommodate that meeting.

Please contact Patricia Macht, Assistant Executive Officer - CalPERS Office of Public Affairs, as our designee to work with you or your representative to schedule the meeting. Pat is expecting your call and can be reached at (916) 326-3850; rest assured that this matter will receive the highest priority.

We look forward to your prompt attention to this matter.

Sincerely,

Charlie Adkins, Chair
Ohio Public Employees Retirement System

Jack Ehnes
Chief Executive Officer
California State Teachers' Retirement System

Sean Harrigan
President
California Public Employees' Retirement System

Alan G. Hevesi
Comptroller
State of New York

Denise L. Nappier
Treasurer
State of Connecticut

Richard H. Moore
Treasurer
State of North Carolina

cc: The Walt Disney Company Board of Directors